

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed Emergency After Notice

Pursuant to the authority of Iowa Code section 514I.5, the Department of Human Services amends Chapter 86, “Healthy and Well Kids in Iowa (HAWK-I) Program,” Iowa Administrative Code.

These amendments enable children to establish or regain eligibility for HAWK-I when eligibility has been denied or canceled due to failure to provide required information or a completed review form. In both situations, eligibility will be granted if the necessary information or the completed review form is provided no later than 14 calendar days from the date of the notice of denial or the effective date of cancellation, and if the Department determines that eligibility exists.

These amendments allow families to resolve the reason for the denial or cancellation rather than having to start all over again with a new application. Having to reapply may discourage families of otherwise eligible children from obtaining needed assistance. These changes are expected to result in the issuance of more timely benefits, fewer gaps in benefit eligibility, and less repeated work for eligibility staff. The changes should also reduce the number of appeals of denials and cancellations.

The amendments also exempt reasonable income-producing costs from all unearned income to align policies with other health and financial support programs of the Department.

These amendments do not provide for waivers in specified situations because the changes benefit the families affected. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin on November 18, 2009, as **ARC 8279B**. The Department received no comments on the Notice of Intended Action. These amendments are identical to those published under Notice of Intended Action.

The Department finds that these amendments confer a benefit on HAWK-I members who are late returning information by streamlining procedures for continuing eligibility. Therefore, these amendments are filed pursuant to Iowa Code section 17A.5(2)“b”(2), and the normal effective date of these amendments is waived.

The HAWK-I Board adopted these amendments on February 15, 2010.

These amendments are intended to implement Iowa Code chapter 514I.

These amendments became effective on March 1, 2010.

The following amendments are adopted.

ITEM 1. Amend rule **441—86.1(514I)**, definition of “Unearned income,” as follows:

“*Unearned income*” means cash income of all parents, spouses, and children under the age of 19 who are living together in accordance with subrule 86.2(3) that is not gained by labor or service. The available unearned income shall be the amount remaining after the withholding of taxes (Federal Insurance Contribution Act, state and federal income taxes) and any reasonable income-producing costs. Examples of unearned income include, but are not limited to:

1. to 4. No change.

ITEM 2. Amend paragraph **86.3(7)“b”** as follows:

b. Failure to supply the information or verification or refusal to authorize the third-party administrator to secure the information shall serve as a basis for rejection of the application or cancellation of coverage. If the requested information or authorization is received within 14 calendar days of the notice of decision on an application or within 14 calendar days of the effective date of cancellation for enrollees, the information or authorization shall be acted upon as though it had been provided timely. If the fourteenth calendar day falls on a weekend or state holiday, the applicant or enrollee shall have until the next business day to provide the information.

ITEM 3. Amend subrule 86.9(2) as follows:

86.9(2) Failure to provide information. The child shall not be enrolled for the next 12-month period if the family fails to provide information and verification of income or otherwise fails to cooperate in

the annual review process. If the completed review form and any information necessary to establish continued eligibility are received within 14 calendar days of the end of an enrollment period, the review form and information shall be acted upon as though they had been received timely. If the fourteenth calendar day falls on a weekend or state holiday, the enrollee shall have until the next business day to provide the review form and any information necessary to establish continued eligibility.

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